

**Low-Income Home Energy Assistance Program (LIHEAP) Provider Meeting
March 15, 2011**

Roll Call - Attendees:

Plumas County Community Development Commission
Metropolitan Area Advisory Committee
San Joaquin County Department of Aging, Children's and Community Services
Merced County Community Action Agency
Community Action Partnership of Orange County
Community Services and Employment Training, Inc.
Madera County Community Action Partnership
North Coast Energy Services
Community Enhancement Services
Pacific Asian Consortium in Employment
Maravilla Foundation
California/Nevada Community Action Partnership
Amador-Tuolumne Community Action Agency
City of Berkeley
Project Go
Association of California Community and Energy Services
So Cal Forum
Community Action Commission of Santa Barbara County
Contra Costa County Community Services Department
Long Beach Community Services Development Corp
Community Action Partnership of Riverside County
Community Action Agency of Butte County, Inc.
Self-Help Home Improvement Project, Inc.
Fresno County Economic Opportunities Commission
Spectrum Community Services, Inc.
Mariposa County Human Services Department
Community Resource Project, Inc.
Sacred Heart Community Service
Southern Cal Gas
Colusa-Glenn-Trinity Community Action Agency
County of Nevada Community Development Agency
Community Action Partnership of Kern
Redwood Community Action Agency
Community Action of Ventura County
Kings Community Action Organization, Inc.
County of Alameda
Community Energy Services
Community Action Marin
Community Action Partnership of San Bernardino County
Great Northern Corporation
Community Services and Development (CSD)

A moment of silence for the people, suffering from the tragedy, in Japan.

Approval of minutes: Mike Culberston moved the minutes from the September 15, 2010 and December 8, 2010 be approved and Kathy Kifaya seconded.

Director's Report: None

Automation:

On March 1, 2011, CSD assumed the maintenance and support responsibilities of ServTraq Lite system. CSD is working with Central Coast Energy Services to assist with this transition, and within the next month a new software version will be released. CSD's long-term goal is to migrate the ServTraq Lite system into a web hosted (based) application, a solution offering a better platform for supporting this application, eliminating individual stand-alone database applications, and enable the department to centralize all data reporting and collection for all LIHEAP and DOE service activities.

CSD advised that a software patch will be sent out in several weeks and agencies will need to apply software patches to change the program information. CSD's Help Desk will provide direct assistance to agencies to respond to system changes and troubleshooting.

Subgrantee Fiscal Reimbursement:

Advance policy: The Bureau of State Audits (BSA) determined that CSD was not in compliance with the cash management principals and the Department of Energy (DOE) concurred. As a result, CSD initially modified the advance policy to allow agencies to obtain quarterly advances in the amount equal to one-third of the agency's quarterly expenditure projection -- with liquidation of the advance to occur in the third month of that quarter. Based on additional feedback from the agencies, CSD further modified the advance policy to afford agencies the opportunity to request 100% of their quarterly expenditure projections -- with liquidation of the advance occurring immediately against monthly fiscal reports submitted by agencies. This policy change will take effect April 1, 2011.

Cash flow needs: CSD made some internal operational adjustments in efforts to gain efficiency and reduce processing time for reimbursement payments to agencies. Based on the changes, the department anticipates reducing the number of days for completing the processing of reimbursement payments from 28 days to 22 days. Changes include the hiring of additional staff to facilitate payments, removing the restriction that the Service Address Report (SART) report must accompany the expenditure report, and modifying staff responsibilities. CSD advised that it does not have control over the turnaround time once the claim is submitted to State Controller's Office.

DOE ARRA Departmental Guidance document and the Contract Revisions

Expenditure and Production: CSD provided the February 2011 production report. The report includes additional information on individual agency progress in meeting post inspection requirements.

New Energy Audit Protocol Implementation: Richard Heath and Associates (RHA) is providing training on the REM Design Audit tool throughout the state; however, it was determined that not all agencies have implemented the energy audit. As a result, RHA will continue to conduct training via webinar. RHA will continue providing technical support for the agencies and

directed providers to use the CALWAP website (www.calstatewap.com) for technical issues. CSD acknowledged that field training on the energy audit is necessary and will make plans to schedule additional training once the training contract with RHA is in place.

RFA Results for “Under Performing” Service Areas: Central Coast Energy Services was awarded second phase funding for the Santa Clara County Service Territory, and Community Energy Service received second phase funding for Alameda County.

Action Plans for Awarding Remaining Balance of DOE ARRA Funds: There is still a balance of unobligated DOE ARRA funding and the Department is pursuing efforts to re-allocate unobligated DOE ARRA funds. The balance of unobligated funds consists of both local assistance and (state) Training and Technical Assistance (T&TA) funds. The Department plans to issue a Request for Interest (RFI) to solicit interest from existing DOE ARRA providers who have demonstrated performance, are in good standing, and have the capacity to expend additional DOE ARRA funds within their respective service areas. The RFI also extended opportunity for existing DOE ARRA providers with needs for additional T&TA funding.

Affordable Housing Outreach/Service Targeting Initiative: Community Resource Project (CRP) described several affordable housing projects where they plan to leverage funds for energy efficient upgrades. CRP indicated that TREAT audits may need to be outsourced as they are very complicated.

CSD Training & Technical Assistance RFA

A Training and Technical Assistance Request for Proposal has been issued for a technical consultant. The bidder's conference was held March 8 proposals are due by March 18. The award should be made by early April. CSD advised that the existing technical consultant, RHA, contract will end in May and until a new contract is issued, they will not be able to provide training services.

Quality Assurance Update

CSD created a new Quality Assurance (Q/A) unit that will provide oversight over CSD's third party inspection firm, ConSol. The Q/A unit will provide direct support to agencies in managing inspection outcome results, coordinating inspection scheduling, and performing inspections for some of the smaller agencies. CSD or ConSol will perform inspection services throughout the year.

CSD introduced members of its new third party inspection firm (ConSol). ConSol has extensive experience in building code compliance and performing inspections since the early nineties. You can visit ConSol's website at www.Consol.com or contact project manager, David Meyers (209) 473-5043 if you have any questions.

ConSol received training from RHA in January and commenced field inspections along with RHA in February. ConSol plans to post a schedule of inspections to their website and will provide as much lead time to agencies on scheduling.

LIHEAP Update/Reports:

HHS Monitoring Review and Local Agency Priority Plan Finding: U.S. Department of Health and Human Services (HHS) conducted a monitoring in September 2009 and issued a report months later that identified a potential finding with respect to implementing an alternate year policy as part of an agency's priority plan. HHS states that every applicant should have the ability to apply for services and that there should be safeguards to protect vulnerable populations (VP) from being subject to an alternate year policy. HHS determined that if CSD implements an alternate year policy that there must be consistency throughout the state and follow the HHS directive that protects VP. HHS indicated that CSD must include the alternate year provision in the annual state plan. CSD plans to pursue policy changes to provide the needed structure to alternate year screening practices of local agencies to ensure compliance with federal requirements.

2010/2011 LIHEAP Contract and Funding Update: 2010 LIHEAP will be extended to December 31, 2011. Amendments will be going out within the month. The 2011 LIHEAP program is still under a continuing resolution so final allocation is yet to be determined. Currently, the continuing resolution is at the 2010 funding levels. An amendment to facilitate the release of additional funding in the amount of \$27M will be issued within the month.

2009 DOE Program Production Update & 2010/11 DOE Funding Update:

CSD allocated a total of \$16.2 million in 2009/2010 funding and only 32% has been expended. CSD is concerned, since all funds must be expended by June 2011. CSD asked DOE for a carryover (extension), but this is not guaranteed. DOE is worried about the ARRA and regular DOE expenditures. There are no funds in the budget for DOE WAP for 2011.

DOE Concerns (not on the agenda)

DOE recent monitoring visit identified concerns with meeting EPA and Health and Safety Training requirements. CSD will be contacting agencies to obtain training information to verify compliance.

WIS manual standards update will be issued by the end of April and will include standards for adding smoke alarms, duct testing and sealing are separated, refrigerator metering, blower door depressurization issue is adopted with conditions

Announcements:

NCAF Conference: It was announced that LIHEAP is slated to be cut by 50%. Energy Providers indicated that it is important that agencies contact local and state legislators to educate them on how LIHEAP is important to their respective communities. NCAF has this information on their site: www.ncaf.org.

- DOE National Conference in December in New Orleans
- Cal/Neva conference in April

Adjournment: 2:36 PM